

MINUTES

HOUSE SELECT COMMITTEE ON CERTIFICATE OF NEED AND RELATED HOSPITAL ISSUES

Thursday, October 20, 2011

6:00 p.m.

WNC Agricultural Center, Boone Building, Fletcher, NC

The House Select Committee on Certificate of Need and Related Hospital Issues met on Thursday, October 20, 2011 at the WNC Agricultural Center, Boone Building, Fletcher, NC at 6:00 p.m. Representatives Collins, Steen, and Torbett were present. Representative Ray Rapp, area representative also attended.

Representative Steen presided. He welcomed members and audience and gave information on upcoming meetings. Shawn Parker gave a presentation on the committee charge and mission. (See attached)

The following presentations were given:

Presentation I.

- *Dr. Ron Paulus, Chief Executive Officer, Mission Health System*
- *Richard Vinroot, Legal Counsel, Mission Health System*
- *Dr. Tom McCarthy, Economist*
- *Brandon Sutherland, Senior Manager, Dixon Hughes Goodman LLP*
(See Attached)

Presentation II.

- *Jim Bunch, President and Chief Executive Officer, Park Ridge Health*
- *Graham Fields, Asst. to the President for External Relations, Park Ridge Health*
- *Dr. Brian Quaranta, Physician, 21st Century Oncology*
- *Gail Cummings, Regional Administrator, 21st Century Oncology*
- *Dr. Nathan Williams, Physician and Coalition Member, Western North Carolina*
(See Attached)

Public Comment followed. (See attached)

Representative Collins: I can only say to the concern of the gentleman who spoke about us trying to get in between him and his patients, the last thing I want to do is to tell any physician how to treat their patients. I hope you will not be concerned about that. I am sure that is not this committee's intent. I would certainly say that as a great believer in the free market, when I've been reading through all the CON laws and COPA laws in preparation for these committee meetings, frankly I was just completely chagrined. I believe in a free market and I hate the fact that we even have such a thing as certificate of need and Copa, I really do, the whole system just is repulsive to me. But having said that, let me say this, I live in northeastern North Carolina in the other outback side of the state and I feel like if there were absolutely no regulation on who could start hospitals and doctor's offices and so forth, there would probably be a lot more of them in Charlotte and the Triangle and a lot fewer of them where I live and a lot fewer of them where you live. I agree that what we need to do is maximize choice, the biggest problem we have, the biggest thing we are going to have to solve I think as a committee, in my point of view, is how to allow one entity which has been allowed to form to some degree a monopolistic practice in the past, how to allow them not to have limitations that other people don't have, while at the same time, not allowing the other people not to be blown away by the monopolistic size that this group has. Frankly, that is the dilemma that we've got to solve, because I do want you folks in western North Carolina to have as much choice as you can. We don't have much choice where I live in Rocky Mount. We have very little choice and I'd like for you to continue to have as much choice as you can, but that's out dilemma and we're going to have to try to solve it.

Representative Rapp: I hope that folks will understand that I am not a member of this committee, but I came because of a deep and abiding concern for the issues that have been raised and I wanted to get as much information as I possibly could. I just have to say and so that this committee will understand that as well, that Mission Hospital has served this region, not just the city, Buncombe County, but this region very well for a very long time. I live in Madison County. Without Mission's support, without the work it's done to provide healthcare for our rural area, we would be in deep, deep, deep trouble. That is true for many of the other areas. I visited the Spruce Pine Hospital, that was really about to close. Had it not been for the intervention of Mission, that community would not have those services. When I heard this, I believe in choice, it's a wonderful thing, but this isn't about a business issue from my perspective, this is about providing basic healthcare for our region, and God bless Mission and what it's doing. God bless Park Ridge, God bless people that are doing the work they are doing, and through their hearts they're doing it. But I think we have to tread very carefully on what we are doing here. I hope this committee will tread carefully in what it does, because we've got just a phenomenal health care system in western North Carolina, but it's a very delicate system, one that can be upset very easily and so tread carefully, please.

Representative Torbett: The issue is broad. It came to my recognition how broad it was when I talked to professionals, people that eat, drink, and sleep these issues and the health care provision issues across our state and actually in other states across our nation. I keep getting the same answer about the myriad of issues. When I ask what is health care looking at as we go down this path with the advent of the federal rules and regs they have coming down, what are we looking at in health care in years to come? The only certain answer I receive is we don't know. So with the degree of uncertainty, I think it is up to us and up to you all to make sure we end up with the best available, accessible, and cost affordable way to provide health care and hopefully after we, as my dad would say, whittle down through all the comments we've received. We will also be going on two more road trips, one in Mount Holly and one in Wilmington, and then we'll be back in Raleigh for committee meetings and you are all welcome to come to committee meetings in Raleigh. That's what we have to get to, we've got to strive and find, there's not a right or wrong, these people are providing our health care. These people are saving lives, every one of them. We just have to make sure as the good doctor said earlier, the focus, the central focus is on the person that needs that care and that's where we are going to end up.

Representative Steen: We appreciate you allowing us to come to your community tonight. This is a great community and we heard a lot of good things that we need to consider and we're not going to consider anything lightly. We appreciate what you've done. I've seen a lot of compassion. Jim, I've talked to your and I've talked to Ron. I wouldn't expect any less, great compassion from both hospitals and the community. Dr. Hathaway, I agree that you are very compassionate about what you think about it. The last thing we want to do is come in and tell you how to run your operation. I don't want to do that. We want to take a good close look at this with the input of you folks and make the best decision. I apologize for not getting to everyone, we still have 4 pages to go and we're not going to get to you tonight, but if you would like to send us anything in writing to the legislative clerk here for our committee, it is torbettla@ncleg.net. Send Viddia any information you would like and we'll have it recorded with the committee and will take a look at it.

Representative Steen adjourned the meeting.

Representative Fred Steen, Co-Chair Presiding

Viddia Torbett, Committee Clerk

Representative John Torbett, Co-Chair